Blue Ribbon Commission Meeting Notes – November 20, 2013

Maurice Jones, Allison Linney, Ed Gillaspie

I. General Discussion:

1. Steve Runkle shared some information he pulled together about budget projections for city and schools and group discussed how to better show this and make it part of the report

2. General Report Discussion
   - Add value by suggesting a long term approach and the effect is exponential unless addressed
   - Not as simple as cutting or squeezing out of city or schools
   - Have to include in the reports what came up in each group at the November 12th meeting
   - Solution has to include city and schools compromise and things they need to be thinking about to come up with some agreement
   - Set the stage of the problem and what the solution will not look like – such as slashing budgets just for the sake of doing so
   - Not recommendations but considerations
   - City and school system meeting in the middle to come up with concrete solutions

3. Where are the major points of agreement for the final report with the group present today?

   Revenue Generation
   - 1% increase in meals tax
     o Cons: imbalance with County rate and restaurant opposition
     o Pros: are there more pros to this tax than cons when compared to others?
   - Major Revenue Increase Options – list of all options, pros and cons of each and considerations – (lodging, meals, real estate)
   - UVA payment to the City for their properties that are tax exempt
   - If a tax is increased, consideration that Council won’t then use those funds to address new City programs (Cole to write up some language)
   - Flexibility of funding available should be maintained as it has been historically
   - Not enough $ to fund city/school programs out of current operating revenue
     o Should new revenue generate be “dedicated” to the schools?
       Or do we just make the pie bigger so that there’s more to offer both growing city AND school budgets?
School Funding Policy

- Policies in the past and articulate what these have been
- Don’t recommend a % - not a viable discussion point of this commission but maintain the flexibly that’s in place now even with the target formula

Broad Considerations

- City and school system meeting in the middle to come up with concrete solutions – share the burden and not to quantify necessarily
  - Look at some specifics, such as closing a school, looking at impact of refugee program, evaluation of school programs to make sure they are successful, reducing “waste”, etc.
- Not tackle school reconfiguration project in this report
- Partner with the County (schools and school services)

II. Next Steps:

1. Nikki to call together their group to come up with some additional language
2. Matt to draft some of the report to send out
3. Report language and tone – send to Allison in the next five days (due by Sunday, November 24th) to then work with Maurice to finalize this
4. Will need another meeting after 12/3 to finalize the report and get as far as we can by 12/3
5. Final report to be finalized before Christmas

III. Additional Information Requested:

Rental property “tax” information – A comment made by Steve Runkle during the meeting about a tax on his rental property was researched by staff. According to the City’s Commission of Revenue, Lee Richards, Charlottesville did not put in Code before 1974, therefore the City cannot assess. Albemarle County however can assess which is why his properties, located in the County, are assessed this tax:

No county, city, or town shall impose a license fee or levy any license tax:

7. Upon any person, firm or corporation for engaging in the business of renting, as the owner of such property, real property other than hotels, motels, motor lodges, auto courts, tourist courts, travel trailer parks, campgrounds, bed and breakfast establishments, lodging houses, rooming houses, and boardinghouses; however, any county, city or town imposing such a license tax on January 1, 1974, shall not be precluded from the levy of such tax by the provisions of this subdivision;